Effective Date: 4 December 2023
Status: Historic

ANZ LOW FEE CARDS

TARGET MARKET DETERMINATION

PURPOSE OF THIS DOCUMENT

ANZ is legally required to prepare this Target Market Determination (TMD). The TMD describes the class of customers the product has been designed for, the conditions under which the product must be distributed and how ANZ will review this document so it remains appropriate.

PRODUCTS INCLUDED IN THE TMD

This document constitutes the TMD for the following ANZ credit cards, referred to in this document as **ANZ Low Fee cards**:

- ANZ First
- ANZ Platinum

TARGET MARKET

ANZ has identified the target market for ANZ Low Fee cards and the key attributes of the product that meet the needs, objectives and financial situation of customers in the target market as follows:

ANZ Low Fee cards have been designed for individual customers who:	Key attributes of ANZ Low Fee cards that make the product appropriate for the target market:
• Require a credit card facility (being a line of credit) to make purchases or perform other transactions;	• **Line of credit:** A credit card facility allowing purchases from retailers who accept Visa. • **Transactional ability:** Customers can perform other transactions, including balance transfers, cash advances and other types of payments (eg BPAY).
• Are unlikely to carry a substantial balance frequently from month to month;	• **Interest rate on purchases:** The interest rate on purchases is higher than the equivalent rate on the ANZ Low Rate card. • **Cash advances and balance transfers:** Specific interest rates apply to: - cash advances; and - balance transfers (at the end of the relevant balance transfer promotion period if applicable). • **Interest free period:** Up to 55 days interest free period for purchases.

ANZ Low Fee cards have been designed for individual customers who:	Key attributes of ANZ Low Fee cards that make the product appropriate for the target market:
• Want or value a low fee card with access to other applicable benefits;	• **Annual fee:** Low annual fee (compared to most other ANZ Credit Cards) with annual fee waiver available on ANZ Platinum (subject to minimum purchase requirement). • **Other benefits:** Customers have access to other benefits, depending on the specific card (annual fees may differ), including: - **ANZ First:** Up to 3 additional cardholders (at no additional cost); complimentary insurance, (excluding International Travel Insurance). - **ANZ Platinum:** Up to 9 additional cardholders (at no additional cost) and complimentary insurance, including International Travel Insurance.
• Want a credit card facility with a credit limit of at least $1,000 or $6,000 having regard to card features and benefits; and	• **Minimum credit limit:** The minimum credit limit will depend on the specific card: - **ANZ First:** This product has a minimum credit limit of $1,000. - **ANZ Platinum:** This product has a minimum credit limit of $6,000.
• Can satisfactorily demonstrate that they are able to afford to repay the credit card facility.	• **ANZ processes:** ANZ applies its affordability and suitability checking process to assess whether the product is consistent with the customer's needs and objectives and confirm the customer's ability to repay the credit card.

DISTRIBUTION CONDITIONS

ANZ applies the following conditions and restrictions to the distribution of ANZ Low Fee cards so that the product is likely to be provided to customers in the target market.

These conditions and restrictions:

- limit the channels through which the product can be provided;
- ensure those who distribute the product are adequately trained and accredited; and
- ensure ANZ only distributes the product in accordance with a consistent application and assessment process.

	Condition	How does this make the distribution appropriate?
Channel	ANZ Low Fee cards can only be provided to customers through the following channels: • ANZ Branches, ANZ Private, ANZ Customer Contact Centre; • Online channels (this may include anz.com, ANZ App and Internet Banking); • ANZ accredited brokers; and • ANZ Mobile Lenders‡. ‡ Mobile Lenders are credit representatives of ANZ and provide services only in relation to ANZ products.	By limiting channels, ANZ can ensure that applications for ANZ Low Fee cards are only received through channels that are subject to appropriate conditions, controls and/or monitoring.
Training & Accreditation	ANZ Low Fee cards can only be provided to customers by ANZ directly, or through the following persons: • Authorised ANZ staff and ANZ Mobile Lenders who are accredited and trained; and • ANZ accredited brokers who are given instructions to an appropriate level for their tasks.	By applying training and accreditation standards to ANZ staff and third parties who distribute the product, ANZ is ensuring: • background checks are conducted on relevant individuals; • those distributing the product hold appropriate qualifications, are authorised to engage in distribution activities and are appropriately trained and accredited to ANZ standards; and • those distributing the product understand the distribution process ANZ requires them to follow, as well as the legislative framework relevant to their activities.
Process	ANZ Low Fee cards can only be provided to customers after ANZ collects the required customer information and applies its affordability and suitability checking processes.	By applying its affordability and suitability checking process, ANZ assesses whether the product is consistent with the customer's needs and objectives and confirms the customer's ability to repay the credit card. ANZ's process can include measures to: • collect relevant financial information from customers; • analyse that information and assess whether the customer will be able to meet their financial obligations; • make enquiries with customers about their needs and objectives in relation to the credit card; and • present clear information about product features, benefits and trade-offs before the customer applies for the product.

REVIEW OF THE TARGET MARKET DETERMINATION (TMD)

ANZ will review the TMD periodically to ensure it remains appropriate.

Periodic Reviews of the TMD	Timing
• Initial review	• No later than 18 months from the date the TMD is made.
• Subsequent ongoing review	• No later than 18 months from the date of the previous review.

Review Triggers

In addition, ANZ will review this document earlier if one or more of the following occurs, where they reasonably suggest that the TMD is no longer appropriate:

- There is a material change to the product or its distribution. For example, a change to a key product attribute or a material change to a distribution channel.
- There is a change in law or its application, a change in relevant industry code, an AFCA determination, a court decision, or ASIC or other regulatory guidance or action that materially affects the product. For example, if a change in the law requires ANZ to change or remove a key product attribute or a product intervention order is made by ASIC in respect of the product.
- There is a significant increase beyond expected levels in complaints or disputes, or a significant change in the nature of complaints or disputes relating to the product.
- ANZ has information about the way in which the product is being distributed, operating or being used by customers that reasonably suggests the TMD is no longer appropriate. For example, ANZ will monitor:
  - number of accounts that customers opt to close or move to a different product shortly after the product is issued;
  - number of accounts where customers are carrying persistent credit card debt over an extended period; and
  - number of accounts where customers are carrying a substantial balance frequently from month to month.
- Any other event occurs or information is received (for example, significant dealings in the product that are not consistent with the TMD) that reasonably suggests the TMD is no longer appropriate.

REPORTING

Regulated Persons must provide the following information to ANZ:

Category	Description	Reporting period	Reporting timeframe
Complaints	• Whether any complaints relating to the product were received during the reporting period; and • If so: - the number of complaints received during the reporting period; and - the substance of those complaints and any general feedback relating to the product or its performance.	Every calendar quarter.	As soon as practicable and in any case within 10 business days of the relevant reporting period.

IMPORTANT INFORMATION

This target market determination is not a recommendation, opinion or advice that any person acquire the product or is within the target market for the product. It does not summarise the terms or risks of the product and is not an offer of, or invitation to apply for, the product to any person in Australia or elsewhere. It does not set out all obligations of regulated persons in relation to the product or this target market determination. Go to https://www.anz.com.au/support/rates-fees-terms/target-market-determinations for more information about target market determinations. Go to https://www.anz.com.au/personal/credit-cards/low-annual-fee/ for information about the product.

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